



ILLINOIS STATE BOARD OF INVESTMENT

180 North LaSalle Street, Suite 2015

Chicago, Illinois 60601

(312)793-5718

VIA STATE MESSENGER

August 28, 2015

The Honorable Bruce Rauner
Governor of Illinois
207 State House
Springfield, IL 62706

Dear Governor Rauner:

Under Public Act 96-0753, Illinois encourages its pension funds to promote the economy of Illinois through the use of economic opportunity investments to the greatest extent feasible within the bounds of financial and fiduciary prudence. I am pleased to provide the 2015 annual report to the Governor and the General Assembly identifying the economic opportunity investments made by the Illinois State Board of Investment (the "Board" or "ISBI").

To compile the report, ISBI Staff identified Illinois businesses that are public companies using the Bloomberg Illinois Index. The Index consists of 147 companies, as of June 30, 2015, that are headquartered in Illinois. This report lists the investments made by the Board's investment managers into Illinois-based businesses. The Board's economic opportunity investments, consisting of private equity investment limited partnerships, real estate and equity and fixed income investments in public companies that are part of the Bloomberg Illinois Index, total \$423,215,546.32 or 2.6% of the total fund. ISBI also utilizes several investment managers that are based in Illinois. As of March 31, 2015, Illinois based firms managed 19.3% of the total fund with assets totaling \$3.1 billion. This report sets forth these managers, along with the assets under management.

It is the goal of the Board, subject to its fiduciary responsibility, to continue to increase its participation in economic opportunity investments in order to improve the State's economic condition. Please do not hesitate to contact Ms. Linsey Payne, the Board's General Counsel, at 312/793.1486 with any questions or concerns regarding this report.

Sincerely,

ILLINOIS STATE BOARD OF INVESTMENT


William R. Atwood
Executive Director

Enclosure

**REPORT TO THE GOVERNOR
AND GENERAL ASSEMBLY**

ECONOMIC OPPORTUNITY INVESTMENTS

September 1, 2015

As Required by Public Act 96-0753

**Illinois State Board of Investment
180 N. La Salle St., Suite 2015
Chicago, IL 60601**

Illinois based Private Equity Investments
As of March 31, 2015*

Illinois based PE Partnership	Location	ISBI Market Value**
GTCR (IV, VI, VII, VIIA, IX)	Chicago	24,620,371
Hopewell Ventures LP	Chicago	2,828,275
JK&B Capital IV LP	Chicago	1,861,613
Madison Dearborn (IV, V, VI)	Chicago	57,583,427
Mesirow Capital VII	Chicago	1,904
Sterling Capital II	Northbrook	32,601,856
Valor Equity Partners II, III	Chicago	46,160,775
Windpoint Partners V	Chicago	4,397,721

Total Private Equity: **\$170,055,942**

*The market value for Private Equity investments is as of March 31, 2015 due to the inability to obtain second quarter performance numbers given the timing of this report.

**Gross, excluding debt.

Illinois Based Real Estate Investment			
As of March 31, 2015			
No.	Illinois Based Real Estate Investment	Location	Gross Asset Value (\$USD)
1	Hilton Hotels Corporation	Various IL	\$254,217,836
2	Extended Stay Hotel	Various IL	\$38,494,098
3	Cityview	Chicago IL	\$4,137,259
4	BriXmor (Centro U.S.)	Various IL	\$76,259,338
5	13144 Pulaski Road	Alsip IL	\$11,500,000
6	Joliet and Dupage Industrial Portfolio	Itasca/ Joliet/ Hanover Park IL	\$68,600,000
7	Burnham 310	Champaign IL	\$46,700,000
8	Green Mount Corportate	O'Fallon IL	\$7,700,000
9	Oswego Property	Oswego IL	\$400,000
10	140 North Mitchell Court	Addison IL	\$11,200,000
11	600 North Michigan Avenue	Chicago IL	\$339,000,000
12	900 Corporate Grove Drive	Buffalo Grove IL	\$5,600,000
13	Hotel Allegro	Chicago IL	\$97,800,000
14	Railway Plaza	Naperville IL	\$91,400,000
15	10-30 S. Wacker	Chicago IL	\$632,806,846
16	111 North Canal	Chicago IL	\$283,300,672
17	Aqua	Chicago IL	\$197,307,404
18	Kraft Industrial Portfolio	Aurora IL	\$123,045,691
19	Coast Apartments	Chicago IL	\$201,789,016
20	Procter & Gamble Distribution Center	Edwardsville IL	\$106,750,030
21	Andrew Corporation Building	New Lenox IL	\$52,053,148
22	Metro Chicago Industrial Portfolio	Various IL	\$51,597,511
23	DCT Industrial Portfolio-Pinnacle VII	Romeoville IL	\$20,048,037
24	DCT Industrial Portfolio-Pinnacle IX	Romeoville IL	\$19,957,496
25	Best Buy Distribution Center	Woodridge IL	\$18,992,385
26	Woodfield Preserve - Land	Schaumburg IL	\$1,270,101
27	1567 Maple / Winthrop Club	Evanston IL	\$600,000
28	1935 S. Wabash / Terrazio	Chicago IL	\$45,000,000
29	JPMCC 2014-PHH	Chicago IL	\$24,003,923
30	120 N. LaSalle	Chicago IL	\$103,000,000
31	22 West Washington	Chicago IL	\$228,000,000
32	55 East Monroe	Chicago IL	\$375,000,000
33	Amhurst Lake Industrial	Waukegan IL	\$81,120,000
34	Amhurst Lake Office	Waukegan IL	\$19,667,000
35	Danada	Wheaton IL	\$68,300,000
36	Left Bank at Kinzie Station	Chicago IL	\$151,000,000
37	Marshfield Plaza	Chicago IL	\$74,800,000
38	NexCore - Silver Cross	New Lenox IL	\$77,906,750

Illinois Based Real Estate Investment				
As of March 31, 2015				
No.	Illinois Based Real Estate Investment	Location		Gross Asset Value (\$USD)
39	Primestor Little Village	Chicago	IL	\$1,820,000
40	SoNo East Apartments	Chicago	IL	\$148,000,000
41	Trumpet Business Park - Bldg #1	Zion	IL	\$6,784,080
42	Trumpet Business Park - Land	Zion	IL	\$7,869,213
43	155 North Wacker	Chicago	IL	\$634,939,178
44	AMLI at River North	Evanston	IL	\$223,155,000
45	AMLI at Seven Bridges	Woodridge	IL	\$95,100,000
46	AMLI 900	Chicago	IL	\$88,557,480
47	AMLI Lofts	Chicago	IL	\$86,489,459
48	AMLI at St. Charles	Saint Charles	IL	\$69,300,000
49	AMLI Deerfield	Deerfield	IL	\$44,685,576
50	AMLI at Museum Gardens	Vernon Hills	IL	\$40,960,080
51	AMLI Evanston	Evanston	IL	\$29,293,250
52	1K Fulton	Chicago	IL	\$25,965,568
53	AMLI at Naperville	Naperville	IL	\$18,715,000
54	Darien	Darien	IL	\$14,100,000
55	695 Touhy Avenue	Des Plaines	IL	\$12,300,000
56	Wabash	Chicago	IL	\$12,100,000
57	Arlington	Arlington Hgts	IL	\$10,700,000
58	McCook	La Grange	IL	\$10,200,000
59	West Rogers Park	Chicago	IL	\$10,100,000
60	2315-2327 Landmeier Road	Des Plaines	IL	\$9,700,000
61	Palatine	Palatine	IL	\$9,500,000
62	Addison	Addison	IL	\$9,400,000
63	Des Plaines	Des Plaines	IL	\$9,000,000
64	Lombard	Lombard	IL	\$8,700,000
65	AMLI Operating Company	Chicago	IL	\$8,300,000
66	Bridgeview	Bridgeview	IL	\$7,600,000
67	2445 Higgins Road	Des Plaines	IL	\$7,400,000
68	Lyons	Lyons	IL	\$7,400,000
69	2447 Higgins Road	Des Plaines	IL	\$6,900,000
70	Uptown	Chicago	IL	\$4,900,000
71	SS North Clybourn	Chicago	IL	\$3,800,000
72	2316 Touhy Avenue	Des Plaines	IL	\$3,600,000
73	2320 Touhy Avenue	Des Plaines	IL	\$3,600,000
74	2312 Touhy Avenue	Des Plaines	IL	\$3,300,000
75	2324 Touhy Avenue	Des Plaines	IL	\$3,300,000
76	SS Beverly	Chicago	IL	\$1,900,000

Illinois Based Real Estate Investment			
As of March 31, 2015			
No.	Illinois Based Real Estate Investment	Location	Gross Asset Value (\$USD)
77	Safeguard Hermosa	Chicago IL	\$1,500,000
78	Glendale Heights	Glendale Heights, IL IL	\$14,465,567
79	3708 River Road	Franklin Park IL	\$23,941,981
80	550 West North Frontage	Bolingbrook IL	\$36,462,893
81	471 Fox Court	Bloomington IL	\$5,425,229
82	O'Hare/Southern Lake County Portfolio	Various IL	\$49,208,359
83	Chicago Bulk Industrial	Roselle IL	\$27,479,568
84	Greater O'Hare	Various IL	\$53,355,400
85	601 Oakmont	Westmont IL	\$24,621,383
86	Thompson Chicago (Sutton Place)	Chicago IL	\$115,367,374
87	Hoffman Village	Hoffman Estates IL	\$30,075,559
	Total		\$6,091,661,737
	ISBI Share		\$158,173,692

*The market value for Private Equity investments is as of March 31, 2015 due to the inability to obtain second quarter performance numbers given the timing of this report.

**Gross Asset Value includes debt

Illinois based Real Estate Investments
As of March 31, 2015*

Illinois based RE Managers	Location	ISBI Market Value
RREEF America REIT III	Chicago	7,658,381
RREEF Global Opportunity Fund II	Chicago	960,092
Walton Street Real Estate Fund III	Chicago	391,584
Walton Street Real Estate Fund IV	Chicago	4,557,471
Walton Street Real Estate Fund V	Chicago	12,933,284
Walton Street Real Estate Fund VI	Chicago	24,163,632

Total Real Estate Managers: **\$50,664,444**

*The market value for Real Estate investments is as of March 31, 2015 due to the inability to obtain second quarter performance numbers given the timing of this report.

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
AAR Corp One AAR Place 1100 N. Wood Dale Road Wood Dale, IL	\$ 922,987.07	
Abbott Laboratories 100 Abbott Park Road Abbott Park, IL 60064	6,292,448.64	
AbbVie Inc. 1 North Waukegan Road North Chicago, IL 60064	8,183,137.29	
ACCO Brands Corp 300 Tower Parkway Lincolnshire, IL 60069	695,803.50	
Akorn, Inc. 1925 West Field Court Lake Forest, IL 60045	1,519,368.00	
Allscripts-Misys Healthcare Sol. Inc. 222 Merchandise Mart Plaza, Ste. 2024 Chicago, IL 60654	3,231,626.40	
Allstate Corp/The Allstate Plaza 2775 Sanders Road Northbrook, IL 60062	11,007,984.91	
ANI Pharmaceuticals 210 West Main Street Baudette, MN 56623	99,280.00	
Anixter International 2301 Patriot Boulevard Glenview, IL 60025	4,923,776.40	1,635,122.50
Aptargroup Inc 475 W. Terra Cotta Ave., Ste. E Crystal Lake, IL 60014	529,928.70	

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
Archer-Daniels-Midland 4666 Faries Parkway Box 1470 Decatur, IL 62525	7,840,572.00	
Arthur J. Gallagher & Co The Gallagher Center Two Pierce Place Itasca, IL 60143	2,104,850.00	
Bank Financial Corp 15W060 N Frontage Rd. Burr Ridge, IL 60527	177,889.78	
Baxter International Inc One Baxter Parkway Deerfield, IL 60015	10,804,604.58	
The Boeing Co 100 North Riverside Plaza Chicago, IL 60606	4,790,695.20	495,232.65
Brunswick Corp 1 North Field Court Lake Forest, IL 60045	1,597,004.00	
Cabot Microelectronics Corp 870 North Commons Drive Aurora, IL 60504	8,234,498.42	
Calamos Asset Management Inc 2020 Calamos Court Naperville, IL 60563	180,932.50	
Career Education Corp 2895 Greenspoint Parkway, Ste. 600 Hoffman Estates, IL 60169	180,675.00	
CBOE Holdings 400 South LaSalle Street Chicago, IL 60605	5,594,914.38	

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
CF Industries Holdings Inc 4 Parkway North, Ste. 400 Deerfield, IL 60015-2590	12,665,088.40	
CME Group Inc 20 South Wacker Drive Chicago, IL 60606	2,534,954.40	
CNA Financial Corp 333 S. Wabash Chicago, IL 60604	1,871,143.70	
Consolidated Communications Holdings Inc 121 South 17th Street Mattoon, IL 61938	473,334.29	1,989,848.88
Deere & Co One John Deere Place Moline, IL 61265	9,052,726.95	
DeVry Inc One Tower Lane Oakbrook Terrace, IL 60181	1,555,962.00	
Essendant Inc, One Parkway N. Boulevard Deerfield, IL 60015	2,501,402.50	
Exelon Corp 10 South Dearborn Street Chicago, IL 60680	4,991,161.26	
Federal Signal Corp 1415 West 22nd Street Oak Brook, IL 60523	759,664.50	
First Busey Corp 201 West Main Street Urbana, IL 61801	384,870.60	
First Midwest Bancorp Inc/IL One Pierce Place, Ste. 1500 Itasca, IL 60143	1,212,088.15	

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
FreightCar America Inc 2 North Riverside Plaza, Ste. 1250 Chicago, IL 60606	134,049.60	
GATX Corp 500 West Monroe Street Chicago, IL 60661	92,481.00	
Heidrick & Struggles International Inc 233 S. Wacker Dr. Ste. 4200 Chicago, IL 60606	370,596.80	
Horace Mann Educators Corp 1 Horace Mann Plaza Springfield, IL 62715	1,223,677.68	
Hospira Inc 275 North Field Drive Lake Forest, IL 60045	6,128,175.51	
Hub Group Inc. 3050 Highland Parkway Downers Grove, IL 60515	423,570.00	
Huron Consulting Group Inc 550 West Van Buren Street Chicago, IL 60607	10,131,299.23	
IDEX Corp 630 Dundee Road, Ste. 400 Northbrook, IL 60062	7,563,812.40	
Illinois Tool Works Inc 3600 West Lake Avenue Glenview, IL 60026	1,647,446.92	
Ingredion Incorporated 5 Westbrook Corporate Center Westchester, IL 60154	4,050,437.31	
John B Sanfilippo & Son Inc. 1703 North Randall Road Elgin, IL 60123	301,020.00	

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
Jones Lang LaSalle Inc 200 East Randolph Drive Chicago, IL 60601	2,564,658.00	
Kemper Corporation One East Wacker Drive Chicago, IL 60601	1,364,670.00	
Kraft Foods Group 3 Lakes Drive Northfield, IL 60093	2,230,157.16	
Landauer Inc, 2 Science Road Glenwood, IL 60425	80,190.00	
Lawson Products Inc. 8770 West Bryn Mawr Ave. Chicago, IL 60631	298,285.13	
Lifeway Foods Inc. 6431 West Oakton Street Morton Grove, IL 60053	23,987.50	
Littelfuse Inc O Hare Plaza 8755 West Higgins Road Chicago, IL 60631	4,529,289.48	
LKQ Corp 120 North LaSalle Street, Ste. 3300 Chicago, IL 60602	4,087,490.77	699,098.75
MB Financial Inc 801 West Madison Street Chicago, IL 60607	6,545,046.48	
McDonald's Corp 211 McDonald's Drive Oak Brook, IL 60523	4,109,495.82	1,902,124.88

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
Methode Electronics Inc 7401 West Wilson Avenue Harwood Heights Chicago, IL 60706	255,285.00	
Middleby Corp 1400 Toastmaster Drive Elgin, IL 60120	2,861,865.00	
Mondelez International, Inc. Three Parkway North Deerfield, IL 60015	5,789,426.50	4,246,452.00
Morningstar Inc 22 West Washington Street Chicago, IL 60602	638,547.85	
Motorola Solutions 1303 East Algonquin Road Schaumburg, IL 60196	5,877,350.00	
Navigant Consulting Inc 30 South Wacker Drive, Suite 3550 Chicago, IL 60606	590,785.10	
Navistar International Corp 4201 Winfield Road PO Box 1488 Warrenville, IL 60555	900,674.00	
Northern Trust Corp 50 South La Salle Street Chicago, IL 60603	590,785.10	
Oil-Dri Corp America 410 North Michigan Avenue, Ste. 400 Chicago, Illinois, 60611	128,507.40	
Old Republic International Corp 307 North Michigan Avenue Chicago, IL 60601	168,585.18	

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
Old Second Bancorp Inc. 37 South River Street Aurora, IL 60507	157,740.00	
Packaging Corp of America 1900 West Field Court Lake Forest, IL 60045	2,716,065.36	
PrivateBancorp Inc 120 South LaSalle Street Chicago, IL 60603	3,656,391.86	
QCR Holdings Inc. 3551 7 th Street Moline, IL 61265	206,720.00	
RLI Corp 9025 North Lindbergh Drive Peoria, IL 61615	1,810,469.70	
RR Donnelley & Sons Co 111 South Wacker Drive Chicago, IL 60606	3,140,188.80	84,550.00
Sears Holdings Corp 3333 Beverly Road Hoffman Estates, IL 60179	32,040.00	
SP Plus Corp. 200 East Randolph Chicago, IL 60601	112,273.00	
Stepan Inc. 2900 Millsdale Road, Suite 2900 Joliet, IL 60611	564,908.40	
Stericycle Inc 28161 North Keith Drive Lake Forest, IL 60045	5,566,638.70	
Telephone & Data Systems Inc 30 North LaSalle Street, Ste. 4000 Chicago, IL 60602	117,923.40	

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
Tenneco, Inc. 500 North Field Drive Lake Forest, IL 60045	852,984.00	
Titan International Inc 2701 Spruce Street Quincy, IL 62301	359,360.40	
Tootsie Roll Industries Inc 7401 South Cicero Avenue Chicago, IL 60629	366,718.50	
United Continental Holdings Inc. 233 South Wacker Drive Chicago, IL 60606	8,999,083.62	
United States Cellular Corp 8410 West Bryn Mawr Ave., Ste. 700 Chicago, IL 60631	18,835.00	
USG Corp 550 West Adams Street Chicago, IL 60661	1,069,915.00	
VASCO Data Security International Inc 1901 South Meyers Road, Ste. 210 Oakbrook Terrace, IL 60181	227,934.50	
Walgreens Boots Alliance Inc 200 Wilmot Road Deerfield, IL 60015	6,407,560.52	
Wintrust Financial Corp 727 North Bank Lane Lake Forest, IL 60045	5,866,995.80	
WW Grainger Inc 100 Grainger Parkway Lake Forest, IL 60045	7,815,602.90	
Zebra Technologies Corp 475 Half Day Road, Ste. 500 Lincolnshire, IL 60069	2,549,152.75	8,756,901.01

Equity and Fixed Income Investments in Illinois based Companies
As of June 30, 2015

Company Name/Location	Equity Holdings	Fixed Income
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Total Public Equity:	\$245,232,523.65	
Total Fixed Income:		\$ 19,809,330.67
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Total Public Equity and Fixed Income = \$265,041,854.32		

Illinois based Investment Managers
As of June 30, 2015

Firm Name/Location	ISBI Market Value
Ariel Investments 200 East Randolph, Suite 2900 Chicago, IL 60601	\$153,914,925
Channing Capital Management 10 South LaSalle, Ste. 2650 Chicago, IL 60603	142,486,841
Chicago Equity Partners 180 N. La Salle Street, Ste. 3800 Chicago , IL 60601	399,323,819
Fiduciary Management Associates, LLC 55 W. Monroe St., Ste. 2550 Chicago , IL 60603	85,004,377
LSV Asset Management 155 N. Wacker Dr., Suite 4600 Chicago, IL 60606	895,424,486
Mesirow Advanced Strategies, Inc 321 N. Clark Street Chicago, IL 60610	391,336,905
THL Credit 1515 West 22 nd Street, 11 th Floor Oak Brook, IL 60523	355,105,854
Segall Bryant & Hamill 10 S. Wacker Dr., Ste. 3500 Chicago, IL 60606	285,472,393
William Blair & Company, LLC 222 West Adams Street Chicago, IL 60606	154,713,970
Total Investment Managers:	<u>\$2,862,783,570</u>

Total Investments in Illinois Based Companies

Total Private Equity and Real Estate:	\$158,173,692.00
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Total Public Equity and Fixed Income:	\$265,041,854.32
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Total ISBI Investments:	<u>\$423,215,546.32</u>
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Total Investments in Illinois Based Managers

Total Private Equity:	\$170,055,942.00
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Total Real Estate:	\$50,664,444.00
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Total Public Equity and Fixed Income:	\$2,862,783,570.00
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Total ISBI Managers:	<u>\$3,083,503,956.00</u>
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